



House of Representatives

File No. 990

General Assembly

January Session, 2019

(Reprint of File No. 475)

House Bill No. 6916
As Amended by House Amendment
Schedule "A"

Approved by the Legislative Commissioner
May 24, 2019

**AN ACT ESTABLISHING A TASK FORCE TO STUDY REMEDIES AND
POTENTIAL LIABILITY FOR UNREASONABLY CONTESTED OR
DELAYED WORKERS' COMPENSATION CLAIMS.**

Be it enacted by the Senate and House of Representatives in General
Assembly convened:

- 1 Section 1. (*Effective from passage*) (a) There is established a task force
2 to (1) identify the extent of unreasonably contested or delayed
3 workers' compensation claims, (2) study methods to expand remedies
4 regarding potential liability for unreasonably contested or delayed
5 workers' compensation claims, and (3) clarify the law regarding bad
6 faith handling of workers' compensation claims. Such study shall
7 include, but need not be limited to, an examination of: (A) How such
8 claims are handled when an injured worker is covered by employee
9 benefit health insurance, (B) whether an employee benefit plan should
10 make payments during the time period the Workers' Compensation
11 Commission takes to determine whether the worker's injury is work
12 related, (C) how claims are handled when an injured worker's
13 employer does not provide an employee benefit health insurance plan,
14 (D) the Workers' Compensation Commissioner's authority to fine an

15 insurance company for unreasonably contested claims or undue delay,
16 particularly when such undue delay may cause permanent injury to an
17 employee, (E) delays caused by the failure of medical professionals to
18 follow the Professional Guide for Attorneys, Physicians and Other
19 Health Care Practitioners Guidelines for Cooperation, or to provide
20 respondents with a complete and accurate medical history, including,
21 but not limited to, all relevant medical records requested, (F) whether
22 benefits are paid to injured workers or on behalf of injured workers
23 without prejudice during a period of contest, and the frequency with
24 which (i) said benefits are reimbursed in cases in which the underlying
25 injury is deemed not compensable, (ii) the treatment paid for without
26 prejudice is deemed unreasonable or unnecessary, or (iii) indemnity
27 was paid during a period of time in which the injured worker is
28 deemed to have been capable of working and work was available, (G)
29 remedies when an undue delay in payment causes unnecessarily long
30 delays in medical treatment, resulting in loss of employment, (H) types
31 of systems that may be created to obtain data regarding reasonable
32 treatment and recovery timeframes, and (I) best methods to prevent
33 unfair claim-handling practices that violate the Connecticut Unfair
34 Insurance Practices Act, as amended from time to time, including, but
35 not limited to, the following: (i) Misrepresenting pertinent facts or
36 insurance policy provisions relating to coverages at issue; (ii) failing to
37 acknowledge and act with reasonable promptness upon
38 communications with respect to claims arising out of and in the course
39 of employment under insurance policies and third-party
40 administration contracts; (iii) failing to adopt and implement
41 reasonable standards for the prompt investigation of claims arising out
42 of and in the course of employment to which such insurance policies
43 and third-party administration contracts shall respond; (iv) refusing to
44 pay benefits without conducting a reasonable and timely investigation
45 based upon all available information; (v) failing to affirm or deny
46 coverage of benefits within a reasonable time after submission of a
47 request for such benefits has been submitted; (vi) not attempting in
48 good faith to effectuate prompt, fair and equitable provision of benefits
49 for claims in which liability has become reasonably clear; (vii)

50 attempting to settle claims on the basis of an application that was
51 altered without notice to or knowledge or consent of the insured; (viii)
52 making known to beneficiaries of such insurance policies or third-
53 party contracts of administration pursuant to this section a policy of
54 appealing from decisions of a workers' compensation commissioner or
55 administrative law judge in favor of such beneficiaries for the purpose
56 of compelling the acceptance of settlements or compromises in an
57 amount less than the amount awarded in decisions; (ix) delaying the
58 investigation or payment of claims by requiring a beneficiary or health
59 care provider to submit a preliminary claim report and then requiring
60 the subsequent submission of formal proof-of-loss forms, both of
61 which submissions contain substantially the same information; or (x)
62 failing to promptly provide a reasonable written explanation for the
63 denial of a claim or for an offer of a compromise and settlement in
64 relation to the facts or applicable law.

65 (b) The task force shall consist of the following members:

66 (1) Two appointed by the speaker of the House of Representatives,
67 one of whom is an attorney and a member of the Connecticut Trial
68 Lawyers Association who has experience in workers' compensation
69 cases and one of whom is an attorney and a member of the
70 Connecticut Defense Lawyers Association who primarily represents
71 respondents in workers' compensation cases;

72 (2) Two appointed by the president pro tempore of the Senate, one
73 of whom is a representative of physicians who treat workers'
74 compensation claims patients and one of whom is a physician who
75 performs respondents' medical examinations in workers'
76 compensation cases;

77 (3) Two appointed by the majority leader of the House of
78 Representatives, one of whom shall be a member of the General
79 Assembly and one of whom is an injured worker;

80 (4) Two appointed by the majority leader of the Senate, one of
81 whom shall be a member of the Workers' Compensation Legal

82 Advisory Panel or the Workers' Compensation Medical Advisory
83 Panel, whomever of which is available for any scheduled meeting, and
84 one of whom is a member of the Connecticut State Medical Society;

85 (5) Two appointed by the minority leader of the House of
86 Representatives, one of whom shall be a representative of the business
87 community and one of whom is an injured worker;

88 (6) Two appointed by the minority leader of the Senate, one of
89 whom shall represent a workers' compensation insurance carrier and
90 one of whom shall be a representative of industry;

91 (7) The chairperson of the Workers' Compensation Commission, or
92 the chairperson's designee;

93 (8) The Insurance Commissioner, or the commissioner's designee;

94 (9) The Commissioner of Social Services, or the commissioner's
95 designee; and

96 (10) The Commissioner of Administrative Services, or the
97 commissioner's designee.

98 (c) Any member of the task force appointed under subdivision (1),
99 (2), (5) or (6) of subsection (b) of this section may be a member of the
100 General Assembly.

101 (d) All appointments to the task force shall be made not later than
102 August 1, 2019. Any vacancy shall be filled by the appointing
103 authority.

104 (e) The speaker of the House of Representatives and the president
105 pro tempore of the Senate shall select the chairpersons of the task force
106 from among the members of the task force. Such chairpersons shall
107 schedule the first meeting of the task force, which shall be held not
108 later than sixty days after the effective date of this section.

109 (f) The administrative staff of the joint standing committee of the

110 General Assembly having cognizance of matters relating to labor shall
111 serve as administrative staff of the task force.

112 (g) Not later than January 1, 2020, the task force shall submit a
113 report on its findings and recommendations to the joint standing
114 committee of the General Assembly having cognizance of matters
115 relating to labor, in accordance with the provisions of section 11-4a of
116 the general statutes. The task force shall terminate on the date that it
117 submits such report or January 1, 2020, whichever is later.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill establishes a task force to study methods to expand remedies regarding potential liability for unreasonably contested or delayed workers' compensation claims and to clarify the law regarding bad faith handling of workers' compensation claims.

The task force shall submit a report of its findings and recommendations to the Labor and Public Employees Committee by January 1, 2020.

This bill has no fiscal impact as PA 17-236 prohibits transportation allowances for task force members.

House "A" established the task force and has no fiscal impact.

OLR Bill Analysis

HB 6916 (as amended by House "A")

***AN ACT EXPANDING REMEDIES AND POTENTIAL LIABILITY FOR
UNREASONABLY CONTESTED OR DELAYED WORKERS'
COMPENSATION CLAIMS.***

SUMMARY

The Office of Legislative Research does not analyze Special Acts.

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable

Yea 13 Nay 0 (03/21/2019)